



Technology Services Board  
**Audit Committee**

**Charter  
Date**

June 22, 2006

**Appointing  
Authority**

J. Clark Kelso, Chairperson, Technology Services Board

**Audit  
Committee**

Pursuant to authority granted to the Chairperson at the March 29, 2006, meeting of the Technology Services Board, the Chairperson has appointed the following members or their designees to serve on the Audit Committee:

- Chairperson of the Technology Services Board, who will serve as the committee chairperson;
- Director, Department of Finance;
- Secretary, State and Consumer Services Agency
- State Controller (ex officio and non-voting).

The Audit Committee, formally created by the Board and consisting of four members, qualifies as a "state body" under the Bagley-Keene Open Meeting Act, and is subject to mandatory notice and meeting requirements. (Government Code section 11121(c).)

**Background**

The Technology Services Board's organizing statute requires the Board to conduct an annual financial audit and authorizes the Board to conduct such other audits as may be necessary or prudent. In particular, Section 11537 of the Government Code provides as follows:

“(a)The board shall engage an independent firm of certified public accountants to conduct an annual financial audit of all accounts and transactions of the department. The audit shall be conducted in accordance with Generally Accepted Government Auditing Standards. The audited financial statements shall be presented to the board, the Governor, and the Legislature not more than 120 days after the close of the fiscal year.

(b) The board may arrange for other audits as are necessary or prudent to ensure proper oversight and management of the department.”

**Purpose**

The Audit Committee has been established to implement, on behalf of the Board, the audit responsibilities and powers of Section 11537 of the Government Code.

<b>Organization and Structure</b>	<p>A. The Chairperson of the Technology Services Board will serve as the Chairperson of the Audit Committee.</p> <p>B. The Committee shall meet as often as it deems necessary, but not less than twice annually. The Chairperson may call special meetings of the Committee as the Chairperson deems necessary.</p> <p>C. A quorum shall consist of two of the voting members of the Audit Committee, and all actions of the Audit Committee shall be by majority vote of the voting membership of the committee.</p>
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<b>General Duties</b>	<p>A. The Audit Committee shall oversee the engagement of an independent firm of certified public accountants to conduct an annual financial audit of all accounts and transactions of the department. The audit shall be conducted in accordance with Generally Accepted Government Auditing Standards. The audited financial statements shall be presented to the board, the Governor, and the Legislature not more than 120 days after the close of the fiscal year.</p> <p>B. The Audit Committee shall review and accept all audits and require the DTS to satisfactorily follow-up on all audit findings.</p> <p>C. The Audit Committee may arrange for other audits as are necessary or prudent to ensure proper oversight and management of the department.</p>
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<b>Approvals</b>	<p>Technology Services Board Audit Committee:</p> <p>J. Clark Kelso, Chairperson, Technology Services Board</p> <p>Fred Klass, Program Budget Manager, Department of Finance</p> <p>Will Bush, Undersecretary, State and Consumer Services Agency</p> <p>Michael Carter, Chief Operating Officer, State Controller's Office (ex officio)</p>	<p>Date:</p> <p>June 22, 2006</p>
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